



California Health Benefit Exchange

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Announcement of Intent to Award California Healthcare Eligibility, Enrollment & Retention System (CalHEERS) Contract to Accenture

The California Health Benefit Exchange (the Exchange), in collaboration with the Department of Health Care Services (DHCS) and the Managed Risk Medical Insurance Board (MRMIB), today announced its intent to award Accenture LLC a contract to develop a new consumer-friendly web portal and eligibility and enrollment system to simplify and streamline how individuals, families and small businesses enroll in affordable health coverage.

This contract will implement part of the Affordable Care Act in California by designing and building a new web-based California Healthcare Eligibility, Enrollment and Retention System ("CalHEERS"). This web portal will:

- Provide eligibility information about affordable coverage;
- Enroll eligible Californians into affordable coverage and provide access to federal subsidies;
- Offer health plan choice information;
- Support access by small employers to health plans for their employees.

On October 1, 2013, the CalHEERS project's one-stop web-based marketplace portal will go "live" to allow individuals to begin pre-enrollment in health plans. The new system will make it easy for Californians to comparison shop among health plans and determine if they qualify for federal subsidies. Coverage for eligible persons can begin as soon as January 1, 2014.

The contract includes about \$183 million for the initial development and implementation of the system. These costs will primarily be paid by the federal government through funds available for health reform implementation. Once the system is in place, the contract also includes about \$176 million for the continued development and initial operating costs over about three and a half years (approximately \$50 million per year).

By the end of 2016, an estimated 4.4 million Californians will have benefited from using the new portal to get subsidies and enroll in health plans offered through a new health care marketplace administered by the Exchange.

CalHEERS will be the single point of eligibility for individuals seeking subsidized coverage under the Affordable Care Act. The system will simplify the health care eligibility and health plan enrollment processes for three programs:

- **California Health Benefit Exchange:** By 2016, an estimated 2 million Californians will have enrolled in health plans for which federal subsidies pay for part of their premiums and cost sharing. In addition, CalHEERS will offer an easy, efficient way for individuals who are not eligible for subsidies to comparison shop and find the best health plan for them. Small business owners and their employees will also be able to choose the right plan for them through the Small Employer Health Options Program (SHOP).
- **Medi-Cal:** Under new, streamlined eligibility rules, CalHEERS will make it easier for individuals to obtain Medi-Cal coverage. This will help an estimated 1.7 million newly eligible Californians access full health coverage in Medi-Cal by 2016.
- **Healthy Families:** CalHEERS will also serve as the enrollment portal for the Healthy Families program that allows parents in low income families to purchase subsidized health coverage for their children.

The CalHEERS project is jointly sponsored by the Exchange; DHCS, which oversees Medi-Cal; and MRMIB, which oversees Healthy Families. The Exchange issued the solicitation for the project and the sponsorship group oversaw the evaluation of four proposals received. They used a multi-stage procurement process in which a draft solicitation was shared with the public and vendors prior to issuance of the final solicitation. This approach allowed interested stakeholders and prospective vendors to understand and improve on the specifications to meet the system design requirements. The final competitive review was made based on a “best value” assessment process, which considered the price, quality, approach and experience of the applicant vendors.

About the Exchange

California was the first state to create a Health Benefit Exchange following the passage of federal health care reform. It is charged with creating a new insurance marketplace in which individuals and small businesses will be able to purchase competitively priced health plans using federal tax subsidies and credits beginning in 2014.

The Exchange is overseen by a five-member board appointed by the Governor and Legislature; the California Health and Human Services Secretary serves as an ex officio voting member and is its current Chair.

For more information on the Exchange, including a Question and Answer document on this Intent to Award, visit www.HealthExchange.ca.gov.

Please note, the California Health Benefit Exchange media number is (916) 205-8403